

STATE OF SOUTH CAROLINA
BEFORE THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION
Docket No. 2020-____-C

In Re:)
)
Application of MASTEC NETWORK SOLUTIONS LLC)
For a Certificate of Public Convenience and Necessity)
to Provide Access Services and Local Exchange)
Telecommunications Services and for local service)
offerings to be regulated in accordance with procedures)
authorized for New South Communications in Order)
No. 98-165 in docket No. 97-467-C.)

APPLICATION OF MASTEC NETWORK SOLUTIONS, LLC
FOR AUTHORITY TO PROVIDE RESOLD AND FACILITIES-BASED
LOCAL EXCHANGE AND ACCESS SERVICE

MASTEC NETWORK SOLUTIONS LLC ("MASTEC" or "Applicant"), pursuant to S.C. Code Ann. §56-9-280(B)¹ and Section 253 of the Telecommunications Act of 1996² respectfully submits this Application for Authority to Provide Resold and Facilities-Based Local Exchange Service ("Application") in the State of South Carolina and for local service offerings to be regulated in accordance with procedures authorized for New South Communications in Order No. 98-165 in docket No. 97-467-C.

¹ As amended by Act No. 354, signed by the Governor on June 6, 1996

² Telecommunications Act of 1996, 47 U.S.C. §253 (1996).

MASTEC intends to offer access service to other carriers and business customers throughout the state. Applicant intends to provide local exchange service to customers located in non-rural local exchange carriers' service areas of South Carolina. Should its Application be granted, MASTEC plans to commence offering service immediately upon the establishment of the appropriate and necessary resale arrangements with the incumbent Local Exchange Carriers ("LECs"). Applicant will be negotiating an interconnection/resale agreement with BellSouth Telecommunications, Inc. d/b/a AT&T South Carolina ("AT&T") to provide local service. Applicant intends to utilize incumbent local exchange carriers in the

Proposed Service Area.

Approval of this Application will promote the public interest by increasing the level of competition in the South Carolina telecommunications market. Ultimately, competition will compel all telecommunications service providers to operate more efficiently and pass the resultant cost savings on to consumers. In addition, as a result of competition, the overall quality of local exchange service will improve.

I. Introduction

1. In support of its Application, MASTEC states as follows:

The name and address of the Applicant are:
 MASTEC NETWORK SOLUTIONS LLC
 806 S. Douglas Road, 11th Floor
 Coral Gables, FL 33134
 Phone: 305-702-9150
 Fax: 786-270-4561
 Web: www.mastecnetworksolutions.com

2. All correspondence, notices, inquiries and other communications regarding this Application should be directed to:

Joseph Isaacs, Managing Member
 % ISG-Telecom Consultants for
 MASTEC NETWORK SOLUTIONS LLC
 4274 Enfield Court, Suite 1600
 Palm Harbor, FL 34685
 Phone: 727-738-5552
 Facsimile: 727-939-2672
 E-mail: isaacs@isg-telecom.com

With a copy to:

Elliott & Elliott, PA
 Scott Elliott
 Attorney for Applicant in South Carolina
 1508 Lady Street
 Columbia, SC 29201
 Phone: 803-771-0555
 Facsimile: 803-771-8010
 Email: selliott@elliottlaw.com

3. In support of this Application, the following exhibits are attached hereto:
 - a. Exhibit A -MASTEC's Certificate of Formation filed with the Secretary of State for the State of Florida;
 - b. Exhibit B –MASTEC’s Certificate of Authority to Operate in South Carolina as a Foreign Corporation;
 - c. Exhibit C –MASTEC’s Consolidated Financial Statements for the years ended December 31, 2019 and March 31, 2020.
 - d. Exhibit D -Biographies of selected MASTEC management;
 - e. Exhibit E –Proposed Access Services Tariff; and

II. Description of the Applicant

1. General Information

Applicant is a Florida Limited Liability Company, which was formed on March 8th, 2008. MASTEC NETWORK SOLUTIONS LLC is a wholly owned subsidiary of MASTEC, Inc, a publicly traded entity. The company is headquartered at 806 S. Douglas Road, 11th Floor, Coral Gables, FL 33134

2. Customer Service

MASTEC's customer service representatives are available to assist its customers and will promptly respond to all customer inquiries. Customers may call 305-702-9150 or a local number. The applicable toll free or local numbers will be printed on customer’s monthly billing statements. Alternately, customers wishing to communicate with an MASTEC customer service representative in writing may send written correspondence to MASTEC at:

MASTEC NETWORK SOLUTIONS LLC

806 S. Douglas Road, 11th Floor
Coral Gables, FL 33134
Phone: 305-702-9150
Fax: 786-270-4561

MASTEC's customer service representatives are prepared to respond to a broad range of service matters, including inquiries regarding: (1) the types of services offered by MASTEC and the rates associated with such services; (2) monthly billing statements; (3) problems or concerns pertaining to a customer's current service; and (4) general service matters.

III. MASTEC Possesses the Technical, Managerial and Financial Expertise Necessary to Provide Local Exchange Service

MASTEC possesses the requisite technical, financial and managerial capabilities to operate as a competitive telecommunications provider. These capabilities are explained in detail below.

1. Financial Qualifications

MASTEC is financially able to provide the services proposed in its tariff as evidenced by its combined Financial Statements itself and its parent company for the years ended December 31, 2019 and March 31, 2020.

2. Managerial Qualifications

MASTEC's senior management team is highly skilled, having acquired considerable experience in the telecommunications industry. Using this extensive expertise, MASTEC's management team has developed innovative marketing strategies. In conjunction with effective financial and operational measures, these marketing strategies will enable the company to provide quality service at competitive rates, while resulting in profitable operations for the Applicant. MASTEC has extensive experience in the technical, managerial, and financial aspects of the telecommunications industry.

3. Technical Qualifications

Applicant's key management personnel have significant business and telecommunications experience. MASTEC is currently authorized to provide local exchange services in the states of Florida and Washington. In addition, MASTEC has pending applicants to provide local exchange and access

services in the states of Florida, Alaska, Hawaii, Illinois, and Louisiana. Applicant has never had such applications denied or dismissed. Applicant will also rely upon the technical expertise and telecommunications experience of its underlying carriers.

Applicant's business and network plans anticipate provision of service via its own fiber as a carrier's carrier. MASTEC will resell the facilities of the existing LECs or underlying carriers that presently serve South Carolina. MASTEC will primarily resell the facilities and services of AT&T. MASTEC will also use unbundled network elements and services purchased from AT&T and other incumbent local exchange providers, where applicable, to provide service through MASTEC's facilities.

Applicant seeks authority to resell and provide through its own facilities local exchange and access services throughout the State primarily in the areas served by AT&T. Applicant's local calling areas initially will coincide with the incumbent local exchange carrier's local calling areas. Upon its entry into the South Carolina market, Applicant has no intention of installing equipment for the provision of local exchange services. In the future, when economically and technically feasible, Applicant may install facilities in South Carolina. Additionally, these services will be delivered over a combination of delivery mechanisms through incumbent local carriers' unbundled loop network, both copper and fiber and transport networks. Its services will be available on a full-time basis, twenty-four hours a day, seven days a week, to customers within the geographic boundaries of the State of South Carolina. Customers will be billed by Applicant. Applicant is committed to providing access to a local operator, directory assistance, 911 services, and dual relay services. Applicant is also willing to accept its obligations to collect 911 and dual relay service surcharges from its local exchange customers, and to remit those funds to the appropriate authorities.

Mastec does not intend to offer local residential services and herewith requests a waiver of the bond requirement. In the event Applicant provides retail residential local exchange services in South Carolina, Applicant will comply with the provisions of S.C. Code Ann. Regs. Section 103-607.

As the foregoing illustrates, MASTEC possesses considerable telecommunications expertise. MASTEC is technically qualified to provide local exchange telecommunications services in South Carolina.

IV. Approval of MASTEC's Application is in the Public Interest

Granting MASTEC's Application is consistent with S.C. Code Ann. § 58-9-280(B), as amended by the 1996 Act No. 354, and in that regard, Applicant makes the following representation to the Commission:

- a. The provision of local service by Applicant will not adversely impact the availability of affordable local exchange service;
- b. Applicant, to the extent it is required to do so by the Commission, will participate in the support of universally available telephone service at affordable rates; and,
- c. The provision of local exchange services by Applicant will not adversely impact the public interest.

The demands of a competitive market are a better means to achieve affordability and quality of service than a monopoly environment. As competitors vie for market share, they will compete based upon price, innovation and customer service.

Those providers that offer consumers the most cost effective products will gain market share. In contrast, providers whose products do not meet the needs of consumers will lose market share and, ultimately, be eliminated from the industry.

Additionally, MASTEC's entry into the local exchange markets will not unreasonably prejudice or disadvantage any telephone service providers. Incumbent local exchange carriers presently serve a large majority of the local exchange customers in South Carolina. The major advantages of incumbency (i.e., ownership of the existing local network as well as access to, and long-standing relationships with, every local customer) constitute a substantial obstacle to new entrants. Moreover, exchange services competition will stimulate the demand for the services supplied by all local service carriers, including those of the incumbent LECs. Thus, in a competitive market, there will be increased potential for such LECs to generate higher revenues. Additionally, in a competitive market, incumbent providers will have market incentives to improve the efficiency of their operations, thereby reducing their costs and ultimately their profit margins. Finally, it is important to recognize that in a competitive market,

incumbent LECs will derive revenues from both resellers of their local exchange service as well as facilities based competitive local exchange providers.

Currently, South Carolina consumers have a limited choice with regard to the provision of local exchange telecommunications service. A competitive local service market comprised of incumbents and competitive providers such as MASTEC will offer consumers a competitive option and, therefore, will better satisfy the needs of various market segments. In this regard, approval of this Application is clearly in the public interest.

V. Description of Services Offered and Service Territory

MASTEC has filed with this Application its proposed Access Exchange Tariff ("Exhibit E").

MASTEC expects to offer a full array of services to carriers and business customers, including the following:

Access:

- A. Fiber
- B. transport
- C. Data services

Local Exchange:

- A. Local Exchange Services for business and residence customers that will enable customers to originate and terminate local calls in the local calling area served by other LECs.
- B. Switched local exchange services, including basic service, trunks, carrier access, and any other switched local services that currently exist or will exist in the future.
- C. Non-switched local services (e.g., private line) that currently exist or will exist in the future.
- D. Centrex and/or Centrex-like services that currently exist or will exist in the future.
- E. Digital subscriber line, ISDN, and other high capacity services.

Prior to providing local exchange services to the public in South Carolina, MASTEC will file a complete Final Tariff and/or Price List with the Commission. Furthermore, Applicant submits contemporaneously with this application its proposed tariff for local exchange service (Exhibit E) which contains a description of services to be provided, all rules and regulations applicable to such services, and proposed rates for such services.

VI. Waivers & Regulatory Compliance

MASTEC requests that the Commission grant it a waiver of those regulatory requirements in applicable to competitive local service resellers such as MASTEC. Such rules are not appropriate or necessary for competitive providers and constitute an economic barrier to entry into the local exchange

market.

1. Financial Record-Keeping System

a. MASTEC respectfully requests that it be exempt from any record-keeping rules or regulations that might require a carrier to maintain its financial records in conformance with the Uniform System of Accounts ("USOA"). The USOA was developed by the FCC as a means of regulating telecommunications companies subject to rate base regulation.

b. As a competitive carrier, MASTEC maintains its book of accounts in accordance with Generally Accepted Accounting Principles ("GAAP"). Neither the FCC, nor the Commission, has required MASTEC to maintain its records under the USOA for purposes of MASTEC's operations. Thus, MASTEC does not possess the detailed cost data required by USOA, nor does it maintain detailed records on a state-specific basis. As a competitive provider, MASTEC's network operations are integrated to achieve maximum efficiency. Having to maintain records pertaining specifically to its South Carolina local service operations would place an extreme burden on MASTEC.

c. Moreover, MASTEC asserts that because it utilizes GAAP, the Commission will have a reliable means by which to evaluate MASTEC's operations. Therefore, MASTEC hereby respectfully requests to be exempt from the any USOA requirements of the Commission.

d. In addition, the Company hereby respectfully requests a waiver of 26 S.C. Code & Ann. Regs. 103-610, which requires books and records to be kept in the State of South Carolina, but rather, the Applicant desires to keep its books and records at its principal place of business.

2. Local Exchange Directories

Applicant respectfully requests a waiver of the requirement in Rule 103-631 to publish and distribute local exchange directories. MASTEC will make arrangements with the incumbent LECs whereby the names of MASTEC's customers will be included in the directories published by the incumbent LECs. LEC directories will also be modified to include MASTEC's customer service number. These directories will be distributed to MASTEC's customers. This approach is entirely reasonable and will have a direct benefit to the customers of both MASTEC and the incumbent LEC since they need only refer to one directory for a universal listing of customer information. It would be an unnecessary burden on MASTEC to require that it publish and distribute its own directory to all customers located within each exchange area, particularly since nearly all of these customers will be customers of the incumbent LECs. It is more efficient for MASTEC to simply include its limited customer list in the existing directories of the incumbent LECs.

3. Flexible Regulation of Local Services

Applicant respectfully requests that its local service offerings be regulated in accordance with procedures authorized for New South Communications in Order No. 98-165 in docket No. 97-467-C.

4. Marketing Practices

Pursuant to the South Carolina Public Service Commission's Order No. 95-658 (issued March 20, 1995), Applicant makes the following affirmation relating to the Applicant's provision of services:

As a telephone utility under the regulation of the Public Service Commission of South Carolina, Carrier does hereby assert and affirm that as a reseller of intrastate telecommunications service, Carrier will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, Carrier will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. Carrier understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the state of South Carolina.

5. Maps

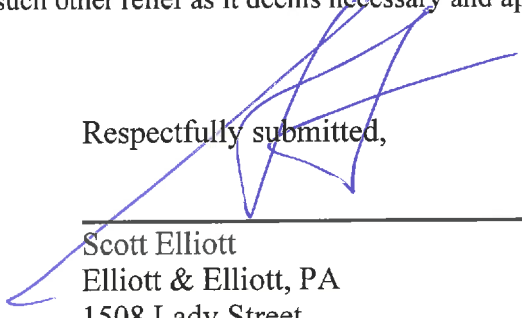
Applicant's local exchange calling areas will initially mirror the service areas of the incumbent local exchange carriers; therefore, Applicant hereby respectfully requests a waiver of the map-filing requirement pursuant to 26 S.C. Code & Ann. Regs. 103-612.2.3 and of 26S.C.Code Ann. Regs. 103-631 requiring publication of directories.

VII. Conclusion

This Application demonstrates that MASTEC NETWORK SOLUTIONS LLC, possesses the technical, financial and managerial resources to provide resold and facilities-based local exchange service in the State of South Carolina. Furthermore, granting this Application will promote the public interest by increasing the level of competition in the South Carolina telecommunications market. Ultimately, competition will compel all exchange telecommunications service providers to operate more efficiently and pass the resultant cost savings on to consumers. In addition, as a result of competition, the overall quality of local exchange service will improve. As stated above, Applicant does not intend to provide local service, by its own facilities or otherwise, to any customer located in a rural incumbent LEC's service area, until Applicant provides such LECs notice of intent at least 30 days prior to the date of the intended service.

Wherefore, MASTEC NETWORK SOLUTIONS LLC, respectfully petitions this Commission for authority to operate as facilities-based provider of local exchange and Access telecommunications services in the State of South Carolina and for local service offerings to be regulated in accordance with procedures authorized for New South Communications in Order No. 98-165 in docket No. 97-467-C in accordance with this Application and for such other relief as it deems necessary and appropriate.

Respectfully submitted,



Scott Elliott
Elliott & Elliott, PA
1508 Lady Street
Columbia, SC 29201

Attorney for Applicant in South Carolina

Verification of Applicant

I, Ricardo Suarez, President of Mastec Network Solutions, LLC a Florida Limited Liability Company, the applicant for a Certificate of Public Convenience and Necessity from the Public Service Commission of the State of South Carolina, verify that based on information and belief I have knowledge of the statements in the foregoing Application and I declare that they are true and correct.

MASTEC NETWORK SOLUTIONS, LLC

By: _____

Ricardo Suarez, President

State of Florida

County of Dade

Sworn to me, the undersigned Notary Public on this 8th day of July, 2020

Mirtha J. De La Pena
Notary Public

